

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

| | |
|--|--|
| In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of THE COMMONWEALTH OF PUERTO RICO, et al., Debtors. | PROMESA Title III No. 17-bk-3283-LTS (Jointly Administered) |
|--|--|

SUMMARY SHEET

**SEVENTH INTERIM APPLICATION OF ANDREW WOLFE,
MACROECONOMIC CONSULTANT TO THE FINANCIAL OVERSIGHT
AND MANAGEMENT BOARD FOR PUERTO RICO, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES,
FOR THE PERIOD JUNE 1, 2019-SEPTEMBER 30, 2019**

| | |
|------------------------------------|---|
| Applicant: | Andrew Wolfe |
| Authorized to provide services to: | The Financial Oversight and Management Board for Puerto Rico |
| Effective date of retention: | August 1, 2017 |
| Compensation period: | June 1, 2019-September 30, 2019 |
| Compensation sought: | \$100,000 |
| Expense reimbursement sought: | \$2,925 |
| Total sought: | \$102,925 |

This is a: ☐ monthly ☒ interim ☐ final application

SUMMARY OF TIME RECORDED IN COMPENSATION PERIOD

| Name | Title | Hours Recorded | Hourly Rate | Total Fees ¹ |
|--------------|--------------------------|----------------|-------------|-------------------------|
| Andrew Wolfe | Macroeconomic Consultant | 346 | \$300 | \$100,000 |

SUMMARY OF EXPENSES INCURRED IN COMPENSATION PERIOD

| Category | Amount |
|---|---------|
| Attorneys' Fees (Fee Application-Related) | \$2,925 |

PRIOR INTERIM FEE APPLICATIONS

| Period Covered | Date Filed | Fees Requested | Expenses Requested | Order Entered | Fees Allowed | Expenses Allowed |
|-----------------|-----------------------|----------------|--------------------|----------------------|--------------|------------------|
| 8/1/17-9/30/17 | 1/17/18 ECF #2259 | \$50,000 | \$7,526.14 | 4/17/18 ECF #2911 | \$50,000 | \$7,367.86 |
| 10/1/17-1/31/18 | 3/16/18 ECF #2718 | \$100,000 | \$12,391.30 | 11/9/18 ECF #4200 | \$100,000 | \$11,823.75 |
| 2/1/18-5/31/18 | 7/16/18 ECF #3521 | \$100,000 | \$13,157.16 | 11/9/18 ECF #4200 | \$100,000 | \$12,589.62 |
| 6/1/18-9/30/18 | 12/3/18 ECF #4393 | \$100,000 | \$3,136.00 | 3/14/19 ECF #5654 | \$100,000 | \$3,126.00 |
| 10/1/18-1/31/19 | 5/16/19 ECF #6982 | \$100,000 | \$3,235.85 | 7/23/19 ECF #8189 | \$100,000 | \$2,920.86 |
| 2/1/19-5/31/19 | 11/26/19 ECF #9333 | \$100,000 | \$858.88 | 3/6/20 ECF #12157 | \$100,000 | \$858.88 |

¹ Project Assignment #6 under the Independent Contractor Services Agreement, dated July 1, 2018, which covers Title III services rendered July 1, 2018-June 30, 2019, provided for Andrew Wolfe to be paid \$25,000/month, provided he devoted at least half of the month's normal business hours to services for the Oversight Board for the term of the Project. Project Assignment #8 under the Independent Contractor Services Agreement, dated July 1, 2019, which covers Title III services rendered July 1, 2019-June 30, 2020, provides for him to be paid an hourly fee of \$300 subject to a \$25,000 monthly cap.

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, et al.,

Debtors.¹

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**SEVENTH INTERIM APPLICATION OF ANDREW WOLFE,
MACROECONOMIC CONSULTANT TO THE FINANCIAL OVERSIGHT
AND MANAGEMENT BOARD FOR PUERTO RICO, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES,
FOR THE PERIOD JUNE 1, 2019-SEPTEMBER 30, 2019**

Andrew Wolfe, macroeconomic consultant to The Financial Oversight and Management Board for Puerto Rico (“Oversight Board”), as representative of the Debtors pursuant to PROMESA section 315(b), submits his seventh interim application for allowance of compensation for services rendered from June 1, 2019-September 30, 2019 (“Compensation Period”) in the amount of \$100,000 and reimbursement of actual, necessary expenses incurred during such period in the amount of \$2,925, pursuant to PROMESA sections 316-17, Rule 2016, and P.R. LBR 2016-1, and respectfully states:

¹ The Debtors in these Title III Cases, along with the last four digits of their respective Federal Tax ID numbers, are: (i) Commonwealth of Puerto Rico (“Commonwealth”) (3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (3747).

JURISDICTION

1. This Court has subject matter jurisdiction to consider this application, pursuant to PROMESA section 306(a). Venue is proper in this district, pursuant to PROMESA section 307(a).

BACKGROUND

2. The Commonwealth commenced its Title III case on May 3, 2017; COFINA commenced its Title III case on May 5, 2017;² HTA and ERS commenced their Title III cases on May 21, 2017; and PREPA commenced its Title III case on July 2, 2017. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of each Debtor in its respective Title III case.

3. Mr. Wolfe was engaged to provide macroeconomic consulting services in these Title III cases.

4. Project Assignment #6 under the Independent Contractor Services Agreement, dated July 1, 2018, which covers Title III services rendered July 1, 2018-June 30, 2019, provided for Andrew Wolfe to be paid \$25,000/month, provided he devoted at least half of the month's normal business hours to services for the Oversight Board for the term of the Project. Project Assignment #8 under the Independent Contractor Services Agreement, dated July 1, 2019, which covers Title III services rendered July 1, 2019-June 30, 2020, provides for him to be paid an hourly fee of \$300 subject to a \$25,000 monthly cap. In addition, the agreements provide for the reimbursement of expenses in accordance with the Oversight Board's reimbursement policy.³

5. As set forth in the Project Assignments, Mr. Wolfe was engaged to, inter alia, (a) evaluate the macroeconomic framework underlying fiscal plans and make recommendations to the

² COFINA's plan of adjustment became effective February 12, 2019 [ECF No. 5104].

³ The Agreements and Project Assignments can be viewed at <https://oversightboard.pr.gov/documents>.

Oversight Board; (b) analyze fiscal projections included in the same; (c) advise on additional policies that could be enacted, including structural reforms; (d) assess debt sustainability; (e) assist the Oversight Board's outside counsel with respect to potential litigation concerning fiscal plans; and (f) advise on monitoring developments under a certified fiscal plan and assist in the monitoring process.

6. Prior to his retirement in 2014, Mr. Wolfe was senior manager of the Western Hemisphere Department at the International Monetary Fund for 27 years. He is presently an adjunct lecturer at American University in Washington, D.C. He holds a Ph.D. in economics from the University of Wisconsin and a B.S.E. in economics and engineering from the University of Pennsylvania.

BASIS FOR RELIEF REQUESTED

7. PROMESA section 316(a) provides that this Court “may award to a professional person employed by ... the Oversight Board (in the Oversight Board's sole discretion) ... (1) reasonable compensation for actual, necessary services rendered by the professional, or attorney and by any paraprofessional employed by any such person; and (2) reimbursement for actual, necessary expenses.”

8. Pursuant to subdivision (c):

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

(1) the time spent on such services;

(2) the rates charged for such services;

(3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;

(4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;

(5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and

(6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

9. PROMESA section 317 and the interim compensation order [ECF No. 3269] permit professionals to apply for allowance of compensation and reimbursement of expenses on an interim basis.

10. Each factor set forth in section 316(c) supports allowance of the compensation sought herein on an interim basis.

(a) Time spent. Mr. Wolfe spent 346 hours working on Title III matters during the Compensation Period. Time detail is annexed hereto as Exhibit 1.

(b) Rates charged. As set forth in the Wolfe Certification (defined below), the compensation sought is billed at rates no less favorable than those customarily employed by him.

(c) Whether Services were necessary or beneficial. The services rendered were necessary to the administration of these Title III cases, and beneficial when rendered. The Oversight Board hired Mr. Wolfe for the purpose of providing these services.

(d) Timeliness. The services rendered were performed within a reasonable amount of time, given their complexity and importance to these Title III cases.

(e) Professional certifications; Restructuring Experience. As noted above, in addition to holding a Ph.D. in economics, Mr. Wolfe has decades of experience at the IMF, and

the macroeconomic expertise sought by the Oversight Board and necessary to the success of these cases.

11. During the Compensation Period, Mr. Wolfe incurred reasonable and necessary expenses in connection with his engagement. An itemization is annexed hereto as Exhibit 2. Mr. Wolfe has endeavored to minimize expenses incurred in connection with this engagement, and submits that those expenses for which reimbursement is sought are reasonable and justified by the circumstances to effectively serve the needs of the Oversight Board.

12. The certification required by P.R. LBR 2016-1(a)(4) and statement required by Rule 2016(a) are included in Exhibit 3 hereto ("Wolfe Certification").

WHEREFORE, Mr. Wolfe requests an order allowing interim compensation for services rendered during the Compensation Period in the amount of \$100,000 and reimbursement of actual and necessary expenses incurred during such period in the amount of \$2,925, totaling \$102,925, and granting such other and further relief as this Court deems just and proper.

Dated: March 13, 2020

Respectfully submitted,

/s/ Andrew Wolfe
Andrew Wolfe
*Macroeconomic Consultant to The Financial
Oversight and Management Board*

By: /s/ Jeffrey Chubak
Jeffrey Chubak
AMINI LLC
131 West 35th Street, 12th Floor
New York, New York 10001
(212) 490-4700
jchubak@aminillc.com
Attorneys for Andrew Wolfe